



**HOUSING ADVISORY COMMISSION  
MEETING AGENDA**

**WEDNESDAY, JANUARY 25, 2012**  
3:30 P.M.

**OFF-SITE PROJECT VISIT (*Directions Attached*)**  
590 FIG AVENUE, CHULA VISTA 91910

**CALL TO ORDER/ROLL CALL**

Earl Jentz \_\_\_\_\_, Armida Martin Del Campo \_\_\_\_\_, Mark Minas \_\_\_\_\_, Margie Reese \_\_\_\_\_,  
Mauricio Torre \_\_\_\_\_, Sergio Quero \_\_\_\_\_, Vacant \_\_\_\_\_,  
Vacant \_\_\_\_\_, Vacant \_\_\_\_\_.

**1) APPROVAL OF MINUTES**

- ❖ 8/30/11 - Attachment 1
- ❖ 11/17/11 - Attachment 2

**2) ELECTION OF NEW CHAIR AND VICE CHAIR FOR FISCAL YEAR 2011/2012**

**3) 2013-2020 HOUSING ELEMENT OF THE GENERAL PLAN**

Housing staff will provide an overview of the data collection and identified needs for the 2013-2020 Housing Element cycle.

**4) CHULA VISTA ENERGY SHOWCASE HOME – 590 FIG AVENUE**

A presentation and tour will be provided by Housing and/or Conservation staff highlighting the home and project.

**5) STAFF REPORTS**

- ❖ Legislative Update

**6) MEMBER'S COMMENTS**

**7) ORAL COMMUNICATIONS**

Opportunity for members of the public to speak to the Housing Advisory Commission on any subject matter within the Commission's jurisdiction but not an item on today's agenda. Each speaker's presentation may not exceed three minutes.

**8) ADJOURNMENT – To the next regular meeting of April 25, 2012.**

Dated: January 18, 2012

**COMPLIANCE WITH AMERICANS WITH DISABILITIES ACT (ADA)**

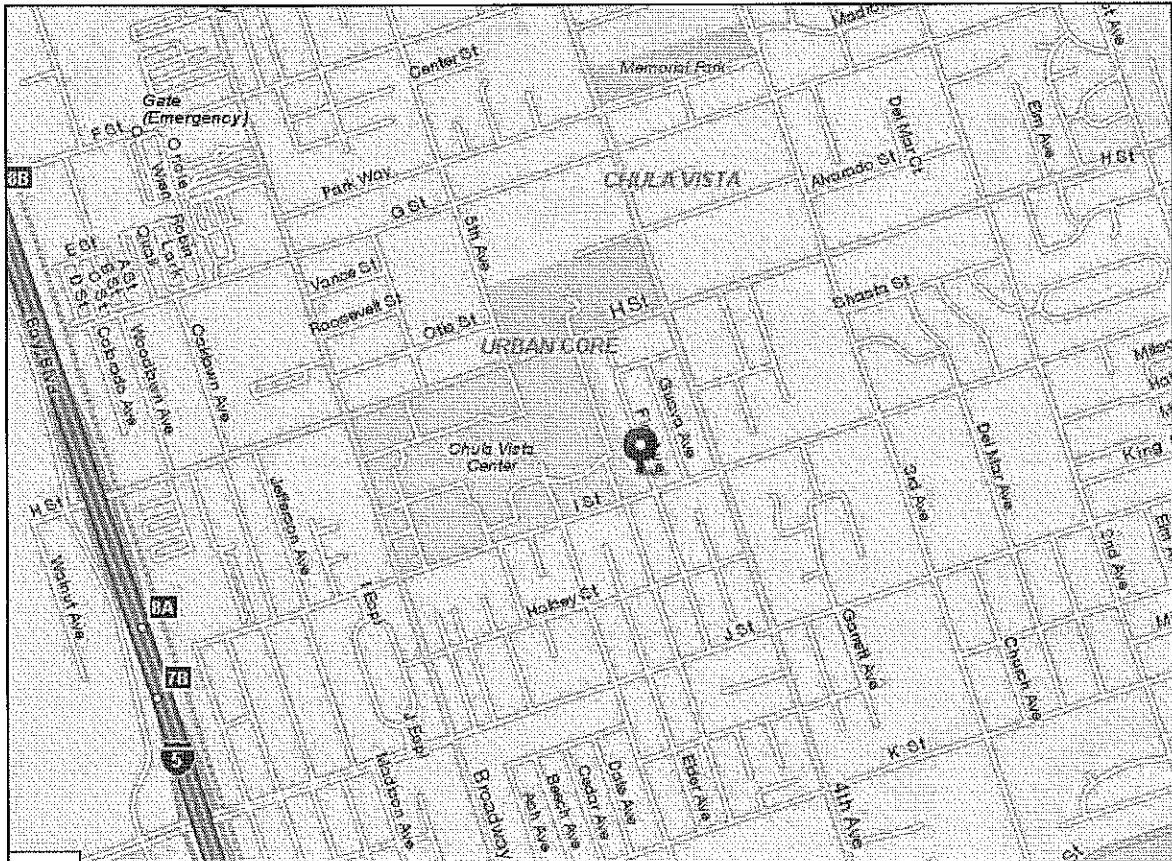
The City of Chula Vista, in complying with the Americans with Disabilities Act (ADA), request individuals who require special accommodations to access, attend, and/or participate in a City meeting, activity, or service request such accommodation at least forty eight hours in advance for meetings and five days for scheduled services and activities. Please contact the Redevelopment & Housing Department for specific information at (619) 691-5047 or Telecommunications Devices for the Deaf (TDD) at (619) 585-5647. California Relay Service is also available for the hearing impaired.



**HOUSING ADVISORY COMMISSION  
(SPECIAL) AGENDA**

**WEDNESDAY, JANUARY 25, 2012  
3:30 P.M.**

Directions to  
590 FIG AVENUE, CHULA VISTA 91910



From I-5  
Take H Street Exit and head East  
Right on Broadway  
Left on I Street  
Left on Fig Avenue  
2<sup>nd</sup> Home on Left

From I-805  
Take H Street Exit and head West  
Left on 4<sup>th</sup> Avenue  
Right on I Street  
Right on Fig Avenue  
2<sup>nd</sup> Home on Left

Street parking available or additional parking in the Chula Vista Center Mall parking lot, entrance at Fifth Avenue and I Street.



**CITY OF CHULA VISTA  
DRAFT MINUTES  
HOUSING ADVISORY COMMISSION**

Tuesday, August 30, 2011  
3:30 P.M.

CITY HALL BY COUNCIL CHAMBERS  
CONFERENCE ROOM #C101

**CALL TO ORDER/ROLL CALL – 3:30 P.M.**

**PRESENT:** Earl Jentz, Michael Lengyel, Mark Minas, Margie Reese, Mauricio Torre

**ABSENT:** Dina Chavez (excused), Armida Martin Del Campo (unexcused)

**STAFF:** Stacey Kurz, Senior Project Coordinator  
Mandy Mills, Housing Manager  
JR Provencher, Senior Code Enforcement Officer  
Carol Trujillo, Deputy City Attorney  
Karin Schmerler, Senior Public Safety Analyst

**1. APPROVAL OF MINUTES**

April 27, 2011

*Member Reese made a motion to approve the minutes. Member Torre seconded the motion. All members (4-0) agreed to the approval of the minutes.*

**2. ELECTION OF NEW CHAIR AND VICE CHAIR FOR FISCAL YEAR 2011/2012**

*Member Minas made a motion to table the item until full membership was present. Member Reese seconded the motion. All members (4-0) agreed to table.*

**3. MULTI-FAMILY INSPECTION PROGRAM**

Staff Provencher provided a presentation regarding code enforcement programs within the city and specifically the multi-family inspection program, see Exhibit 1. He indicated that there are over 2,800 units within the city (all complexes of 5 units or more and inspect 10% of the units) and they are to be inspected on a 5-7 year rotation.

**4. APARTMENT SAFETY PROGRAM**

Staff Trujillo provided a presentation on a grant program the Police Department received to inspect and identify problem multi-family housing complexes within the City, see Exhibit 2. Once identified the Police Department works with owners and management to provide them tools to reduce calls for service and other public nuisance issues.

**5. HOME RENTAL REHABILITATION PROGRAM**

Staff Kurz provided a presentation on a new program that would utilize the two programs presented by the Code Enforcement and Police Departments to target complexes that may need financial assistance to make safety and health related improvements to their complexes, see Exhibit 3. The rehabilitation loan program would be low cost to recipients and have built in interest rate reductions for good performance.

*Member Reese made a motion to recommend staff continue the development of the program for Council review. Member Torre seconded the motion. All members (4-0) agreed to the recommended action.*



# Mobilehome Rent Review Commission

## Minutes

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### 6. STAFF COMMENTS

Staff Kurz provided an update for the following projects:

- The Landings II – Open House October 20<sup>th</sup>, time TBD – Project has been completed, leased-up and would be celebrating with a grand opening, formal invitations would follow.
- Trenton Avenue Acquisition/Rehabilitation – Project has been completed and leased-up.
- First-Time Homebuyer Program – Recent market changes have been good for first-time homebuyers and the city is seeing persons being successful on their own purchasing. Is freeing monies up for more creative projects.
- October 29<sup>th</sup> South Bay Homeownership Resource Fair – See Exhibit 4
- San Diego Foundation Workshop – See Exhibit 5
- Community Housing Improvement Program (CHIP) – Program is currently on hold due to funding commitments made by City Council for other programming. Staff is looking into other funding sources for the program.

### 7. MEMBER'S COMMENTS

None.

### 8. PUBLIC COMMUNICATIONS

None.

9. **ADJOURNMENT** – Meeting was adjourned at 5:25 p.m. Scheduling of the next meeting would occur at a later time, since the regular meeting of October 26, 2011 conflicts with other Housing staff schedules.



Recorder, Stacey Kurz

Exhibit 1 – Multi-Family Inspection Program Presentation

Exhibit 2 – Apartment Safety Program Presentation

Exhibit 3 – HOME Rental Rehabilitation Program Presentation

Exhibit 4 - October 29<sup>th</sup> South Bay Homeownership Resource Fair Flyer

Exhibit 5 - San Diego Foundation Workshop Flyer



## City of Chula Vista Code Enforcement Program Update

Code Enforcement enforces the Chula Vista  
Municipal Code, Building Codes, Housing  
Codes and Health & Safety Codes

## Code Enforcement Program Update Program Organization

- General Code Enforcement
- Rental Housing Inspections
- Hotel-Motel Inspections
- Mobile Home Park Inspections
- Abandoned Vehicle Abatement
- Residential Abandoned Property Program



## Code Enforcement Program Update Program Staffing

- General Code Enforcement – 3 Officers
- Housing Inspections – 2 Officers
- Abandoned Vehicles – 1 Officer
- Residential Abandoned Properties  
2 – Officers & 3 OS's

## Code Enforcement Program General C.E.

- Handles zoning issues, building without a permit, trash, junk & debris, noise, odors, un-permitted businesses.
- All Residential Abandoned Properties.



## Code Enforcement Program Housing

- All complaints involving apartments, hotels-motels, mobile home parks, abandoned-inoperative vehicles.
- Housing inspections on all of the above on a 5 to 7 year rotation.
- Abandoned Vehicle Abatements.

## Code Enforcement Program Task Force Participation

Housing works in conjunction with the Chula Vista Police Department namely the Apartment Safety Project.

The A.S.P. identifies Apartments with high calls for service and looks at what can be done to reduce the calls. Code Enforcement assists by enforcing Housing laws and raising the standard of living.



## Code Enforcement Program

3 complexes have been identified by the A.S.P. and C.E. inspected all of them and identified Housing violations and ordered abatement remedies.

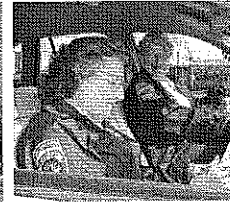
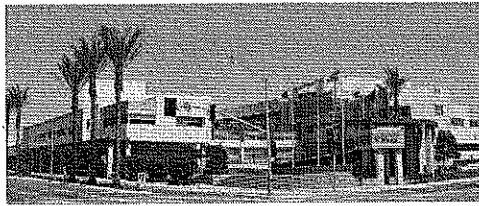
C.E. implements continual monitoring and has initiated fines against 1 Apt owner.





Chula Vista Police Department  
Chula Vista City Attorney's Office

August 30, 2011



## apartment **safety** project

### apartment safety project



#### Goals of 2-year federal grant:

Reduce crime and disorder at Chula Vista's  
340 apartment complexes (8+ units) -- home  
to ~ 60,000 residents

- Improve quality of life for residents
- Reduce repeat calls for police services
- Build partnerships with stakeholders

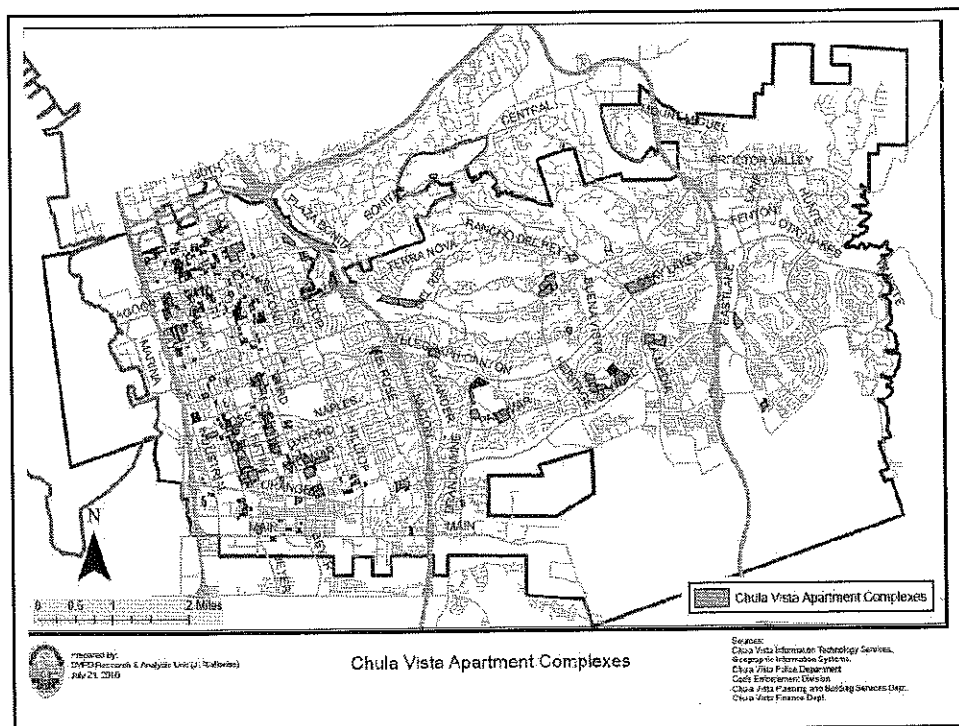




## partnership



- Motel Project: extensive collaboration, decrease in drug arrests by 60%, police calls by 50%
- Private property owners CAN positively influence public safety at their properties through management practices
- Landlords, residents have shared interest, responsibility in peaceful living environments





## information gathered



- Best practices – interviewed managers of CV complexes with *lowest* police calls, consulted industry experts
- Online and mail survey of managers of 340 complexes – training, management practices, crime concerns?
- Drop-off, mail-in survey of more than 2,000 residents of complexes with *highest* police calls – crime concerns?
- legal landscape

## 1-on-1 meetings



### Focus properties managers, owners

- Landlord's crime and disorder concerns, challenges, management practices? (26 meetings to date)
- Police calls for past 12 months – 'hot units,' top calls, trends, call descriptions
- Site- and problem-specific recommendations & action plan (improve screening; remove problem tenant; CPTED; police response)
- Best practices, free management resources



## 2009 police calls



- ~ 70,000 police calls/year
- ~ 9,000 (13%) from 340 apts.
- Top calls: domestic violence, family disturbances (20% together)
- Followed by: noise, disturbances by persons (19% together)



## priority



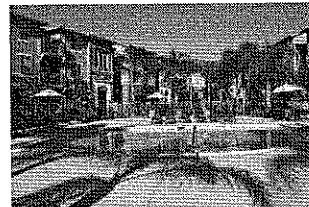
- Complexes with higher-than-average police calls
- **City complex median: 0.36 of a police call per unit per year, or 1 police call per unit every 3 years**
- Median = police calls at a complex divided by number of units (disturbances, violence, drugs, counted; tows, lost property not counted)



## community meetings



- 18 meetings to date with residents of focus apartments: crime trends at complex, apartment safety, Q&A
- **With landlords: 3 planned city-wide meetings to share survey results, best practices, Q&A**
- With community stakeholders: business associations, social service providers, other City of Chula Vista departments

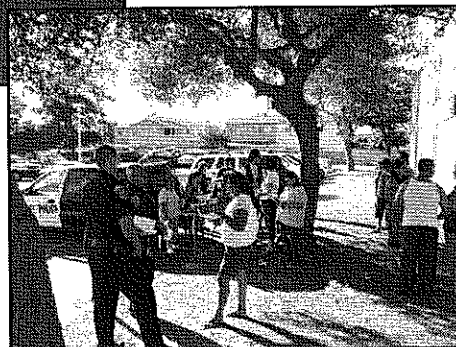


**Woodlawn Avenue  
Apartments**

June 30, 2011

**Kingswood Manor  
Apartments**

July 7, 2011





## future website



- Survey results
- Best practices
- Crime-prevention, safety
  - Landlord manual
  - Fliers
- Police call information by address -- daily



## Success



- Landlords hungry for information on crime prevention and police calls
- Many problems improved, solved after 1-on-1 meetings
- Managers, residents willing to participate
- City leaders we've spoken with supportive
- Apartment associations enthusiastic
- Partnerships
  - Chula Vista-based Crime-Free Easy Tracking software
  - Institute for Public Strategies
  - City Departments (Code, Housing)
  - South Bay Community Services
  - County's Psychiatric Emergency Response Team (PERT)
  - Section 8



## evaluating outcomes



- Change in number and type of police calls at apartment complexes after outreach
- Change in tenants' and managers' perceptions of safety, concerns based on second surveys in 12-18 months (grant ends ~April 2012)
- Change in cost of providing police services to apartment complexes after outreach

## philosophy



- Encourage responsible management, partnership – “When you are successful, we are successful.”
- No surprises – involve landlords and tenants in the process AND solutions
- Provide opportunities to improve *before* more coercive measures



## future options



- Regulation, enforcement, fees? (i.e. "responsible owner" permit tied to a public safety standard and operating conditions; public nuisance prosecution)
- Incentives? (i.e. "Preferred Property," publishing rankings of properties by police calls)
- Individual MOUs for problem properties?
- Attempts to encourage voluntary partnership, improvement = evidence for a future enforcement response



## your **questions**



apartment **safety** project




## contacts



- Carol Trujillo, Deputy City Attorney – 409-5466,  
[ctrujillo@chulavistapd.org](mailto:ctrujillo@chulavistapd.org)
- Karin Schmerler, Senior Public Safety Analyst – 409-5410,  
[kschmerler@chulavistapd.org](mailto:kschmerler@chulavistapd.org)





Development Services  
Department

## Mobilehome Rent Review Commission

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### *HOME* *Rental Rehabilitation Program*

August 30, 2011

1



Development Services  
Department


## Goals

### Multi-Family Rental Rehabilitation


- Improve existing multi-family rental housing stock
- Health & safety repairs
- Decrease crime
  - Crime Prevention through Environmental Design (CPTED)
- Affordable rents
  - HOME restrictions
- Regulate management practices

2





**CITY OF  
CHULA VISTA**



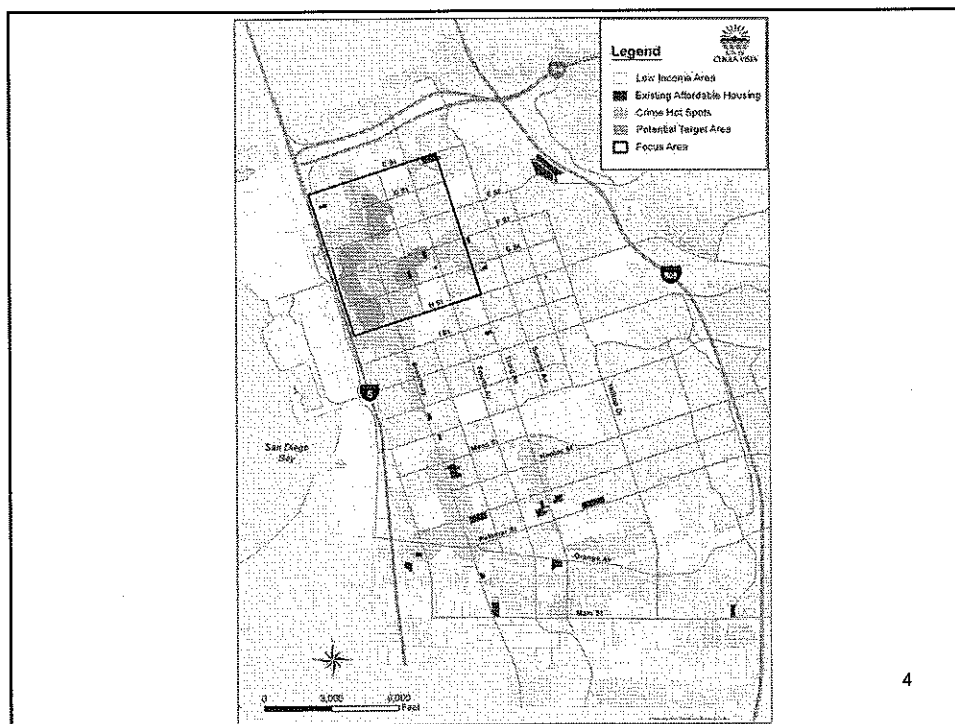
*Development Services  
Department*

## Complexes

### Multi-Family Rental Rehabilitation

- **Focus Area**
  - Crime hot spots
  - Access to transit/amenities
- **Identify Areas of Concentration**
  - Code Issues
  - Apartment Safety Project
- **Target Complexes**
  - Ownership/Management
  - Economies of scale
  - Design challenges
  - High vacancies/low rents

3







*Development Services  
Department*

# Improvements

## Multi-Family Rental Rehabilitation

- **Health & Safety**
  - Plumbing/electrical
  - Vermon infestation
- **CPTED**
  - Lighting
  - Access
- **Energy upgrades**
  - Leveraging funds

1



*Development Services  
Department*

# Loans

## Multi-Family Rental Rehabilitation

- Low interest
- Deed restricted for HOME minimum affordability period
  - < \$15,000 per unit = five years
  - \$15,000 - \$40,000 per unit = ten years
- Incentives for performance
  - Calls for service thresholds
  - Code compliance
  - HOME affordable housing compliance

100  
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Looking to purchase a home?  
Want to make improvements to your current residence?  
Having trouble making mortgage payments?

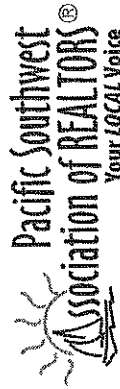
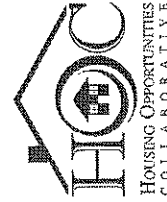
# South Bay Homeownership Resource Fair

## *and SDG&E® Lighting Exchange:*

Trade up to five incandescent light bulbs & two halogen floor lamps for new energy-efficient replacements. For more information, visit [www.sdge.com/saveenergy](http://www.sdge.com/saveenergy) or call 800-411-7343.

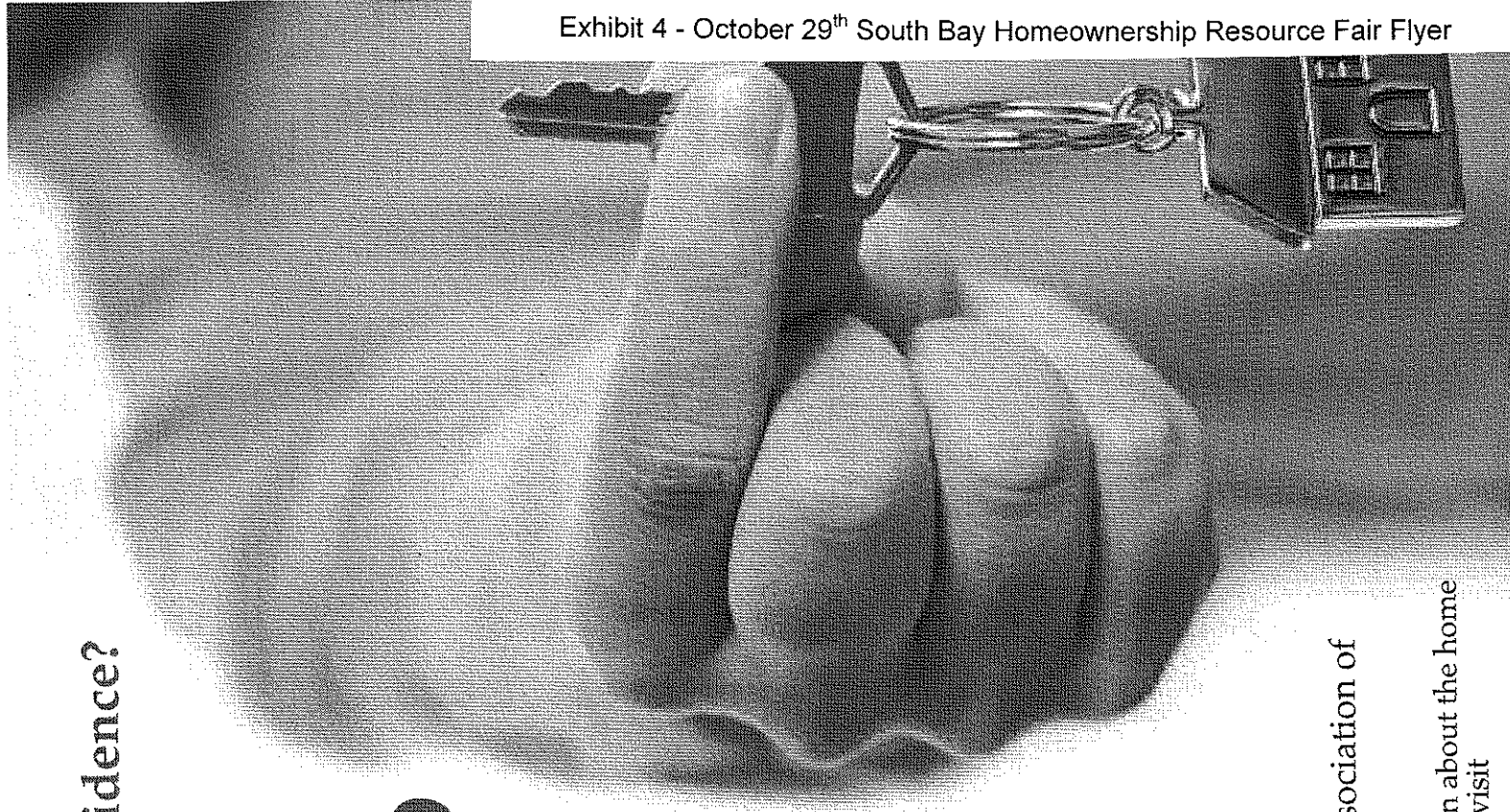
**October 29 • 10 am - 2 pm**

City Hall Courtyard • 276 Fourth Avenue, Chula Vista



**Hosted by:** City of Chula Vista • **Sponsored by:** Pacific Southwest Association of Realtors (PSAR) & Housing Opportunities Collaborative (HOC)

FREE event includes parking, activities for children & raffle prizes. Access information about the home buying process and get resources on how to save money if you own! To learn more, visit [www.southbayhomeownership.com](http://www.southbayhomeownership.com) or call (619) 585-5600, option 5.





# Open House



[www.EnergyUpgradeCA.org](http://www.EnergyUpgradeCA.org)

## Monthly open houses at the Gorski's energy efficient home:

### Dates

Saturday, August 13  
Saturday, September 17  
Saturday, October 15

### Time

10:00 - 11:30am

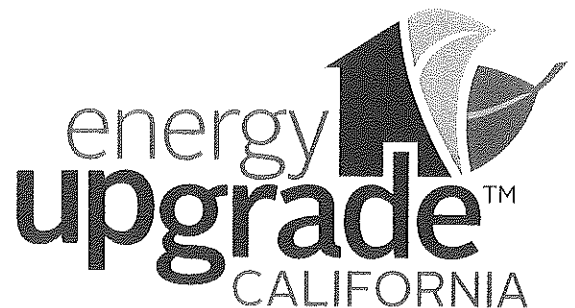
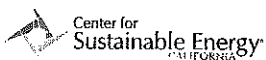
**Gorski Home**  
**1090 Espuelas Ct.**  
**Rancho del Rey,**  
**Chula Vista**



## Community Savings Initiative

is an exclusive program that will provide special discounts and promotions to single-family homes in Rancho del Rey that complete home energy upgrades.

- Generous discounts with exclusive group pricing
- Contractors pre-approved by your neighbors
- Be a part of Rancho del Rey's energy-saving mission



COMMUNITY SAVINGS INITIATIVE

Greenwise Solutions & ASI Hastings Heating and Air Conditioning are participants in the Community Savings Initiative program as well as the City of Chula Vista's Home Upgrade, Carbon Downgrade program. The City of Chula Vista and California Center for Sustainable Energy do not provide any endorsement for any Companies or their services.

To learn more, visit [www.energycenter.org/community-savings-initiative](http://www.energycenter.org/community-savings-initiative) or contact the California Center for Sustainable Energy at 858-244-1177 or [betterbuildings@energycenter.org](mailto:betterbuildings@energycenter.org)



**CITY OF CHULA VISTA  
DRAFT MINUTES  
HOUSING ADVISORY COMMISSION**

Thursday, November 17, 2011  
3:30 P.M.

276 FOURTH AVENUE  
CITY HALL, EXECUTIVE CONFERENCE ROOM C101

**CALL TO ORDER/ROLL CALL – 3:45 P.M.**

**PRESENT:** Earl Jentz, Mark Minas, Margie Reese, Sergio Quero

**ABSENT:** Michael Lengyel (excused-resigning), Mauricio Torre (excused), Armida Martin Del Campo (unexcused)

**STAFF:** Stacey Kurz, Senior Project Coordinator  
Mandy Mills, Housing Manager  
Leilani Hines, Principal Project Coordinator

**1. ELECTION OF NEW CHAIR AND VICE CHAIR FOR FISCAL YEAR 2011/2012**

*Member Reese motioned to table the discussion on this item until full membership was present. Vice Chair Minas second the motion and all members agreed 3-0.*

**2. 2013-2020 HOUSING ELEMENT OF THE GENERAL PLAN**

Staff Hines provided a presentation regarding the process for updating the next Housing Element cycle, see Exhibit 1.

**3. AFFORDABLE HOUSING 101**

Staff Mills and Kurz provided a presentation regarding affordable rental housing in Chula Vista, the financial gaps between private financing for developments and the subsidies that fill such gaps, see Exhibit 2. Staff Kurz then facilitated a discussion regarding when public policy decisions might be made between choosing to do a new construction project or an acquisition/rehabilitation project. The results of the discussion are summarized in the table below.

New Construction	Factors Influencing Both	Acquisition/Rehabilitation
Aesthetics/Appeal/Creativity/Durability – New architecture or creative projects may spur additional development. Desire to improve an geographic area.	Balance – Due to population needs and balancing rental and ownership stock.	Cost – New construction may be prohibitive.
Unit (product types) – May desire larger bedroom counts that do not exist oin current housing stock or design requirements to meet special needs populations	Sustainability – In order to create or add sustainable features.	Site – Desire to utilize existing housing stock and revitalize.
Funding – Cater projects to meet funding requirements of proximity to	Public Nuisance – May want to remove blight or improve	



# Mobilehome Rent Review Commission

## Minutes

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amenities or special needs	in order to reduce or remove other factors.	
Catalyst projects – Desire to be first project in to draw more development.	Cost – If funding is available that makes new construction more competitive.	
Existing Uses – Non-residential uses may need to be demolished.		

### 4. STAFF COMMENTS

Staff Kurz welcomed the newest Commission member, Sergio Quero of Community HousingWorks, whom will replace the termed out Dina Chavez's non-profit developer seat on the commission. Staff Kurz indicated that both the Landings II and Trenton Avenue project grand openings had been held in the last two months and both projects are fully leased up.

Staff Kurz invited the Commissioner's to the grand opening (January 10<sup>th</sup> at 2 pm) of a first-time homebuyer Energy Showcase home located on Fig Avenue. The project will be showcased for educational purposes for the next six months, during which time applications for qualified first-time homebuyers will be taken with an anticipated occupancy of July 1<sup>st</sup>.

### 5. MEMBER'S COMMENTS

Member Reese asked why minutes were not available from the last meeting. Staff Kurz indicated that they were not available when the agenda was sent out but would be included for the next meeting agenda, as well as today's meeting minutes.

### 6. PUBLIC COMMUNICATIONS

None.

### 7. ADJOURNMENT – Meeting was adjourned at 5:25 p.m. to the next regular meeting of January 25, 2012.

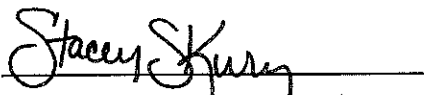
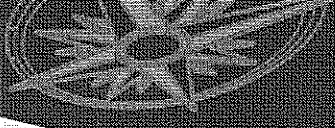
  
Recorder, Stacey Kurz

Exhibit 1 – 2013-2020 Housing Element Presentation

Exhibit 2 – Affordable Housing 101 Presentation

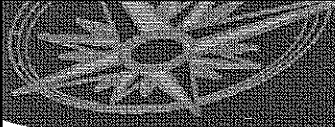




City of Chula Vista Housing Element


# **2013-2020 Housing Element Update**

Housing Advisory Commission  
November 17, 2011



City of Chula Vista Housing Element

## **Agenda**



- Overview of Housing Element
  - Purpose
  - Requirements
  - Recent Changes
- Update Process & Timeline
- RHNA




## **“Housing Element 101”**

*Process and Content of the  
Housing Element*

- Required element of the General Plan
- Long-range strategy with five-year updates to respond to changing conditions
- Oversight by State HCD







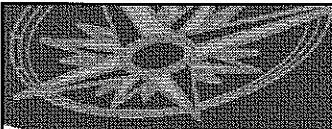
City of Chula Vista Housing Element

## **Why?**

Government has a role to play in providing safe, decent, and affordable housing for every resident

### **Statewide Housing Goal:**


*"...Decent housing and suitable living environment for every California family."*




City of Chula Vista Housing Element

## **Functions of the Housing Element**

- Strategy for meeting future growth and housing needs
- Five-year work plan for City housing policies and programs



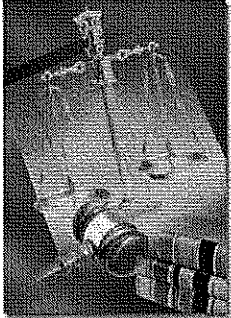


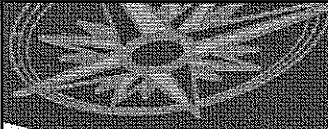


City of Chula Vista Housing Element

## Minimum State Requirements

- Needs Assessment
- Inventory of Resources
- Adequate sites to meet RHNA
- Constraints & Opportunities
- Evaluation of Past Efforts
- Five-Year Program of Actions






City of Chula Vista Housing Element

## Recent Statutory Changes







City of Chula Vista Housing Element

**AB 2634 (Lieber) 2006:**

- Extremely low-income households (*at 30% of AMI*).
- Zoning to encourage and facilitate supportive housing and single-room occupancy units.



City of Chula Vista Housing Element



**SB2 (Cedillo) 2007:**

- Zoning to encourage and facilitate emergency shelters and limits the denial of emergency shelters and transitional and supportive housing under the Housing Accountability Act.

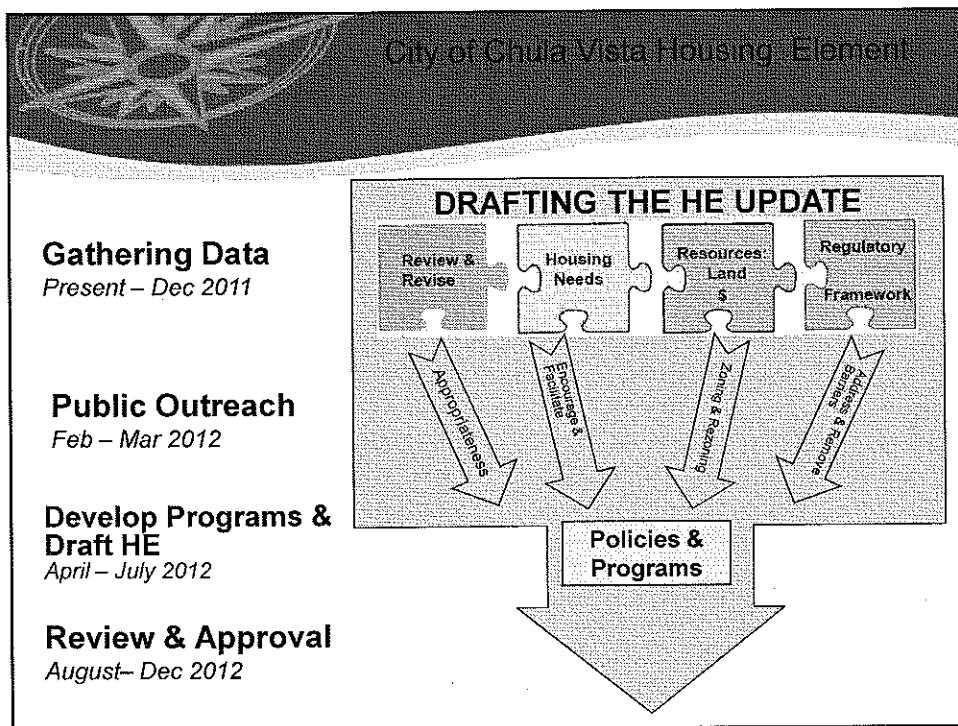
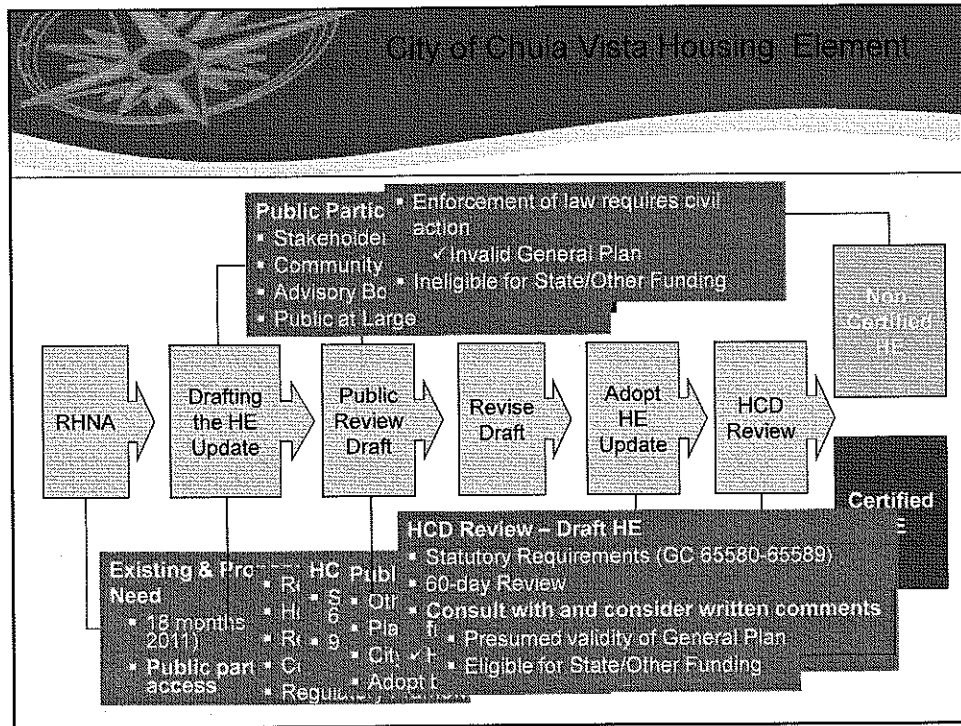


## UPDATE PROCESS

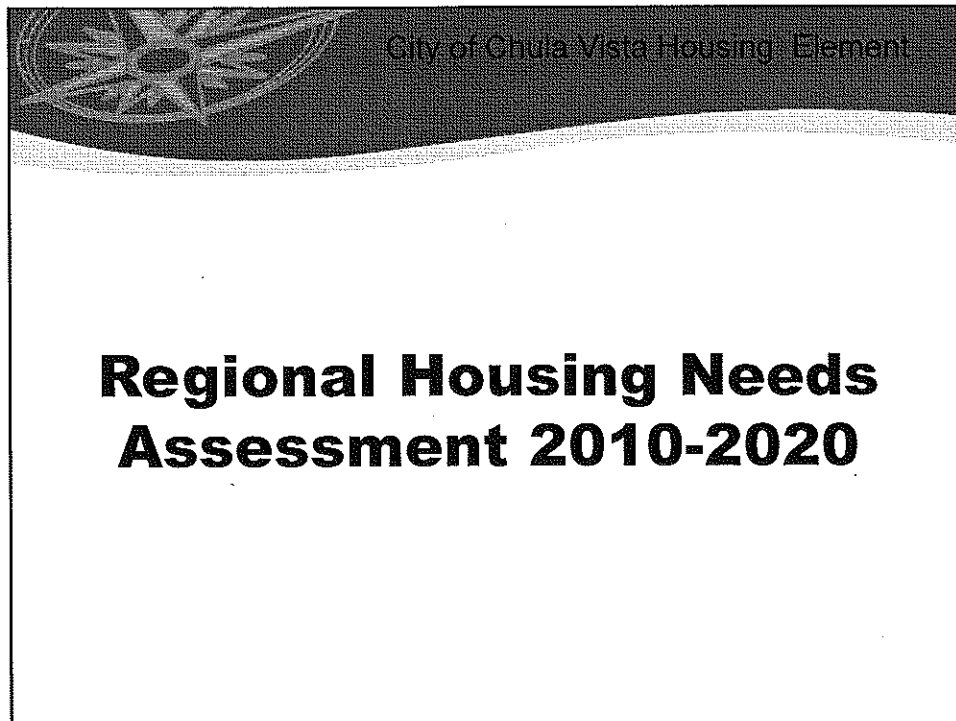


- Use existing element as base
- Based on current conditions ...
  - Changes to existing goals, objectives, policies, and programs?
  - New goals, objectives, policies, and programs?
- Keep what works – change what doesn't









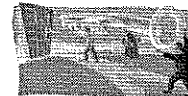
Regional Housing Needs Assessment 2010-2020		
Income Category	Income Range	Chula Vista Regional Share
Very-low Income	< 50% MFI	3,209
Low-income	51% - 80% MFI	2,439
Moderate-income	81% - 120% MFI	2,257
Above-moderate income	> 120% MFI	4,956
<b>TOTAL</b>		<b>12,861 (8% of region)</b>

(1) Income limits established by State of California HCD. 2011 HUD4-person MFI for San Diego MSA: \$74,900.  
Source: SANDAG and Fiscal Year 20011 HUD Income Limits



## Policies & Programs

- Create and expand opportunities, with equal access
- Reduce barriers
- Preserve and maintain housing



## Development Services Department Housing Division

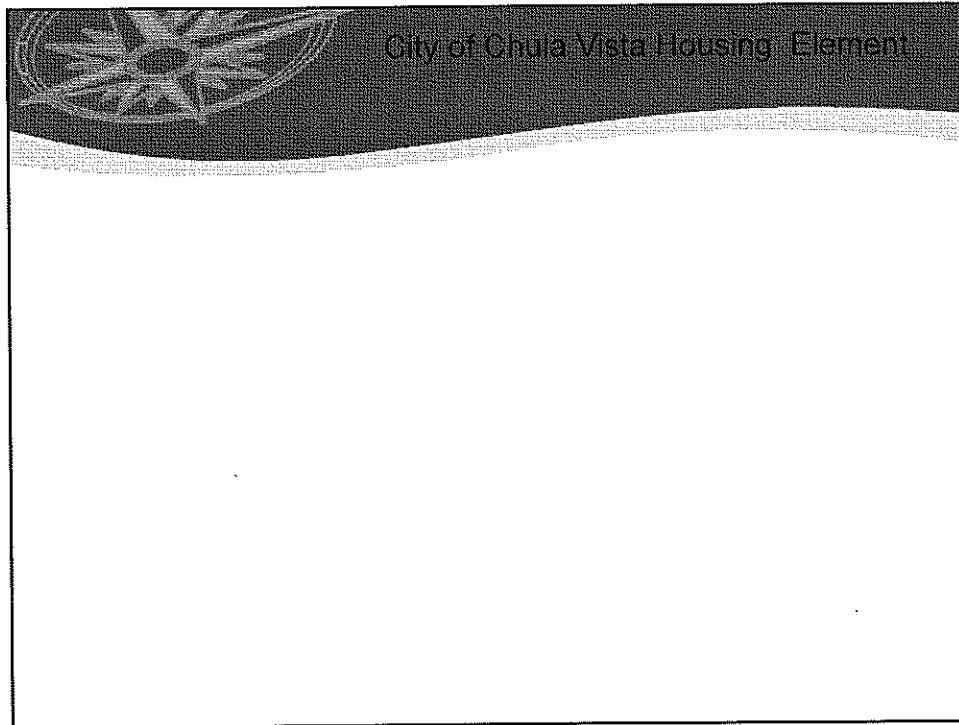

Amanda Mills, Housing Manager  
Leilani Hines, Project Manager

Monday - Thursday | 8:00 am - 5:00 pm

All City Hall offices are closed to the public on Fridays.

For more information from our Department please visit us at [www.chulavistaca.gov/cvrh](http://www.chulavistaca.gov/cvrh)



**AFFORDABLE RENT AND PURCHASE PRICE BY INCOME AND CATEGORY**

Income Category	Annual Income (1)	Affordable Rent Payment (2)	Estimate Affordable Purchase Price (3)
Very-low Income	< 50% MFI	< \$792	< \$100,673
Low-income	51% - 80% MFI	\$793 - \$ 1,268	\$100,674 - \$161,179
Moderate-income	81% - 120% MFI	\$1,269 - \$1,902	\$161,180 - \$241,896
Above-moderate income	> 120% MFI	> \$1,903	> \$241,897

(1) Income limits established by State of California HCD.  
 (2) Based on 30% of income, 4 person household  
 (3) Assumes 10% down payment, and 7.5% interest rate, 1.25% tax and homeowners insurance





### **AFFORDABLE RENT AND PURCHASE PRICE BY INCOME AND CATEGORY**

<b>Income Category</b>	<b>Max Annual Income (1)</b>	<b>Affordable Rent Payment (2)</b>	<b>Affordable Mortgage Payment</b>
Very-low Income	\$ 37,450	\$ 842	< \$843
Low-income (51% - 80% MFI)	\$ 65,900	\$ 1,011	\$ 1,180
Moderate-income (81% - 120% MFI)	\$ 89,900	\$ 1,854	\$ 2,162
Above-moderate income (>120% MFI)	> \$89,900	> \$ 1,854	> \$ 2,162

(1) Income limits established by State of California HCD.

(2) Based on 30% of income, 4 person household



# Affordable Housing 101

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Housing Advisory Commission  
November 17, 2011

## What is Affordable?



- Housing for those that cannot afford market rate
  - 30% of gross monthly income for rent + utilities
    - If household makes \$2,000 per month, rent + utilities would need to be approximately \$600
    - Average Chula Vista 2-bedroom rent is \$1,251, therefore minimum gross income should be \$4,170



## Employment Types & Rental Gap

San Diego Worker	30% of Gross Income	Average Monthly Rent	Monthly Affordability Gap
Social Worker	\$1,414	\$1,251	\$163
Dental Assistant	\$942	\$1,251	(\$309)
Hotel Clerk	\$693	\$1,251	(\$558)
Daycare Worker	\$554	\$1,251	(\$697)
Food Service Worker	\$444	\$1,251	(\$807)

## What is Affordable Rental Housing?

- Restricted by covenant & restrictions
  - New construction or acquisition/rehabilitation
  - Affordability period = 55 years
  - Income & rent restrictions
  - Service commitments



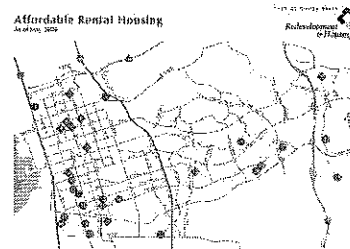
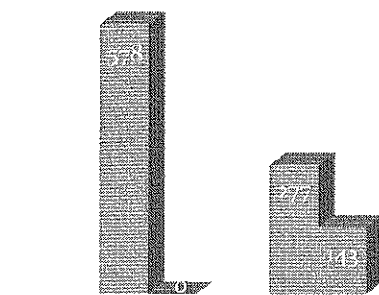


# Why Provide Affordable Housing?

- Rental needs
- Economic development
- Housing Element Law (RHNA)
- Community Redevelopment Law
- Advocates



## Affordable Rentals in Chula Vista



**Affordable Rental Housing Analysis, 2009**

Address	Units	Notes
1. 10000 San Diego Avenue	100	100 units
2. 10000 San Diego Avenue	100	100 units
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## Gap Financing

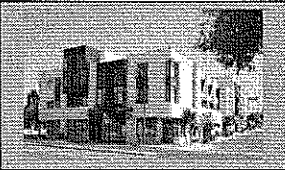


Conventional sources (i.e. private bank loans & cash equity investment)

+ ???

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= Total Development Costs

## Residential Product Types

		
Stacked Flats Podium Parking	Garden Apartments Surface Parking	Garden Apartments Surface Parking
New Construction	New Construction	Acquisition / Rehab



## Project Description

	Stacked Units Podium Parking	Garden Apartments Surface Parking	Garden Apartments Surface Parking
	New Construction	New Construction	Acquisition/Rehab
Site Area	0.75 Acres	2.0 Acres	1.5 Acres
Unit	56 Units	50 Units	30 Units
Density	75.0 DU/Ac	25.0 DU/Ac	20.0 DU/Ac
Parking	84 spaces 1.5 spaces/unit	100 spaces 2.0 spaces/unit	60 spaces 2.0 spaces/unit

## Development Costs

I. Hard Direct Costs	II. Soft Indirect Costs	III. Financing Costs
<ul style="list-style-type: none"> <li>• Off-Site Improvements</li> <li>• On-Site Improvements</li> <li>• Parking</li> <li>• Shell</li> </ul>	<ul style="list-style-type: none"> <li>• Architecture &amp; engineering</li> <li>• Permits &amp; fees</li> <li>• Legal &amp; accounting</li> <li>• Taxes &amp; insurance</li> <li>• Developer fee</li> <li>• Marketing &amp; lease-contingency</li> </ul>	<ul style="list-style-type: none"> <li>• Loan fees</li> <li>• Interest during construction &amp; lease-up</li> <li>• Tax credit fees</li> <li>• Operating lease-up</li> <li>• Replacement reserves</li> </ul>






## Development Costs (per unit)

	Stacked Flats Podium Parking	Garden Apartments Surface Parking	Garden Apartments Surface Parking
	New Construction	New Construction	Acquisition/Rehab
I. Direct Costs	\$200,000	\$139,000	\$68,000
II. Indirect Costs	\$65,000	\$53,000	\$48,000
III. Financing Costs	\$20,000	\$14,000	\$13,000
IV. Total Development Costs	\$285,000	\$206,000	\$129,000
V. Acquisition Costs	\$35,000	\$52,000	\$115,000
VI. Grand Total Costs	\$320,000	\$258,000	\$244,000

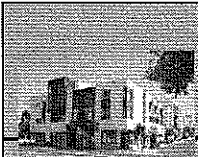


• Statewide                      \$318,000                      \$292,000

## Break-even Rent




			
	Stacked Flats Podium Parking	Garden Apartments Surface Parking	Garden Apartments Surface Parking
	New Construction	New Construction	Acquisition / Rehab
Grand Total Costs	\$320,000	\$258,000	\$244,000
Break-even Rent Required to Support Costs	\$2,340	\$1,960	\$1,870



## Monthly Financing Gap

			
	Stacked Flats Podium Parking	Garden Apartments Surface Parking	Garden Apartments Surface Parking
	New Construction	New Construction	Acquisition / Rehab
Break-even Rent Required to Support Costs	\$2,340	\$1,960	\$1,870
Average Affordable Rent @ 50-60% AMI	\$850	\$850	\$850
Monthly Affordability Gap	(\$1,490)	(\$1,110)	(\$1,020)

## Total Financing Gap (per unit)

			
	Stacked Flats Podium Parking	Garden Apartments Surface Parking	Garden Apartments Surface Parking
	New Construction	New Construction	Acquisition / Rehab
<ul style="list-style-type: none"> <li>Statewide \$258,000</li> <li>Local Subsidy \$110,000</li> </ul>			
Value of Affordable Unit (based on maximum rent of \$850/month)	\$79,000	\$79,000	\$83,000
Total Development Costs	\$320,000	\$258,000	\$244,000
Total Financing Gap	(\$241,000)	(\$179,000)	(\$161,000)



## Capital Sources



### Federal

- HOME Investment Partnership Program
- Community Development Block Grant (CDBG)
- HUD Affordable Housing Program (AHP) - Private
- HUD Section 202
- Housing Opportunities for Persons with AIDS (HOPWA)
- HUD Section 80
- Low Income Housing Tax Credits

### State

- Tax-exempt bonds
- Multi-Family Housing Program (MHP)

### Local

- Redevelopment Low/Mid Housing Set-Aside
- Inclusionary Housing In-Lieu Fees
- Commercial Linkage Fees

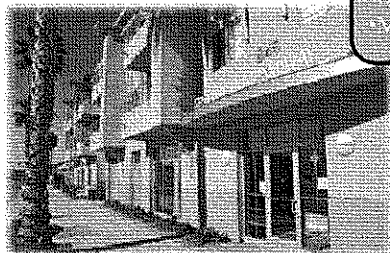
## Operating Sources

### Federal

- Section 8 Vouchers
- Federal Emergency Shelter Grant

### State

- Emergency Housing Assistance Program (EHAP)
- Mental Health Services Act (MHSA)





## Public Policy Decisions

- In-fill sites
  - Blight
  - Public Nuisance
  - Brownfield Catalyst Development
- Enhanced architectural/design elements
- Durable building materials (55 year life)
- Large bedroom counts/product type
- Solar energy & sustainable features
- Community room & tenant amenities
- Prevailing wages
- Funding leveraging
  - Transit Oriented
  - Redevelopment Areas



## White Board Exercise

- Policy or community reasons for:

Acquisition / Rehabilitation	New Construction



## I. Direct Costs (per unit)

	Stacked Flats Podium Parking	Garden Apartments Surface Parking	Garden Apartments Surface Parking
	New Construction	New Construction	Acquisition/Rehab
Off-Site Improvements	\$6,000	\$9,000	\$4,000
On-Site Improvements	\$18,000	\$17,000	\$11,000
Parking	\$38,000	\$0	\$0
Shell	\$125,000	\$103,000	\$43,000
Other Direct Costs	\$13,000	\$10,000	\$10,000
<b>Total Directs</b>	<b>\$200,000</b>	<b>\$139,000</b>	<b>\$68,000</b>